

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

UNITED STATES SECURITIES)	
AND EXCHANGE COMMISSION,)	
)	
Plaintiff,)	Case No. 13-cv-982
)	
v.)	Judge Amy J. St. Eve
)	
A CHICAGO CONVENTION CENTER, LLC,)	
ANSHOO R. SETHI, and)	
INTERCONTINENTAL REGIONAL CENTER)	
TRUST OF CHICAGO, LLC)	
)	
Defendants.)	

**DEFENDANTS A CHICAGO CONVENTION CENTER, LLC AND
INTERCONTINENTAL REGIONAL CENTER TRUST OF CHICAGO, LLC'S
MOTION TO DISMISS**

Defendants A Chicago Convention Center, LLC and Intercontinental Regional Center Trust of Chicago, LLC (the "Corporate Defendants"), by and through their undersigned counsel, pursuant to Fed. R. Civ. P. 12(b)(6), hereby move this Court to dismiss Plaintiff's Complaint. The Corporate Defendants also request that this Court set a briefing schedule with respect to the instant motion. In support of their motion, the Corporate Defendants state as follows:

1. The Complaint alleges that the Corporate Defendants violated the Securities Act, 15 U.S.C. § 77q(a)(1)- (a)(3) (Counts I-II) and Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b) and Exchange Act Rule 10b-5, 17 C.F.R. § 240.10b-5 (Count III).

2. To state claims under the Securities Act and the Exchange Act, the Plaintiff must establish that the securities here at issue were "listed on domestic exchanges" and/or were offered, sold, and purchased via "domestic transactions." *See Morrison v. National Australia Bank Ltd.*, 130 S.Ct. 2869, 2883 (2010) (the Exchange Act does not apply to extraterritorial

transactions); *S.E.C. v. ICP Asset Mgmt., LLC*, Case No. 10 Civ. 4791, 2012 WL 2359830, *2 (S.D.N.Y. June 21, 2012) (Section 17(a) Securities Act claims are subject to the same extraterritorial limits stated in *Morrison*).

3. Here, the Complaint does not allege that any of the alleged securities were offered, sold, or purchased on any domestic exchange. Nor does the Complaint allege that the securities at issue were offered, sold, and purchased via “domestic transactions,” as *Morrison* and its progeny require to state claims under the Securities Act and the Exchange Act.

4. In fact, the Complaint and the documents incorporated therein establish that the transactions here at issue were not “domestic.” The Complaint alleges that the Corporate Defendants offered and sold only to and that the purchases of the alleged securities were made only by “foreign nationals.” (Compl. ¶¶ 2 (“The victims of this fraud are foreign nationals...”), 3, 20-21.) Moreover, the Subscription Agreement attached and incorporated into the Complaint as Exhibit B establishes that the offer, sale, and purchase of the securities at issue occurred solely outside the United States. (See Compl., Ex. B at p. 2, ¶ 1(c)(ii) (“No offer or sale of the Interests was made to the Investor in the United States.”); *id.* at p. 4, ¶ 2(b) (“The Investor is subscribing to purchase the Interests outside the United States...”)).

5. Because the offer, sale, and purchase of securities occurred outside the United States, neither the Securities Act nor the Exchange Act applies to the alleged securities transactions here. The Complaint thus should be dismissed as to the Corporate Defendants for failing to state a claim.

WHEREFORE, the Corporate Defendants respectfully request that this Honorable Court grant their Motion to Dismiss, enter an order dismissing the Complaint as to the Corporate Defendants, and grant them such other and further relief as this Court deems just and proper.

Respectfully submitted,

A CHICAGO CONVENTION CENTER,
LLC, ANSHOO SETHI, and
INTERCONTINENTAL REGIONAL
CENTER TRUST OF CHICAGO, LLC

Dated: April 29, 2013

/s/ Scott Mendeloff

Scott Mendeloff (ARDC No. 6184901)
Arthur Don (ARDC No. 3121678)
Jason B. Elster (ARDC No. 6289434)
GREENBERG TRAURIG, LLP
77 West Wacker Drive, Suite 3100
Chicago, Illinois 60601
Tel: 312.456.8400

Attorneys for Defendants